

Re: Agreement

From: Alma Diaz <adiaz@phippsortiztalafuse.com>
To: Daren Connel <daren@connelcapital.com>
Cc: Martin J. Phipps <mphipps@phippsortiztalafuse.com>

Mon, Jun 26, 2023 at 2:45 PM CDT (GMT-05:00)

Daren,
See spreadsheet attached.

I added the missing expenses, corrected the actual Property Tax according to the Bexar County and corrected the NNN for Holy Spirits and POT according to the wording in the lease agreement.

Regards,

Alma Diaz
102 9th Street
San Antonio, TX 78215
Cell: (210) 303-7172
Main : (210) 340-9877
Fax : (210) 340-9899



Please note our firm name has changed as have our emails. Please change your records to reflect this.

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From: Daren Connel <daren@connelcapital.com>
Date: Friday, June 2, 2023 at 3:57 PM
To: "Martin J. Phipps" <mphipps@phippsortiztalafuse.com>, Alma Diaz <adiaz@phippsortiztalafuse.com>
Subject: Agreement

Martin and Alma,

I'm glad we were all able to come to a simple agreement.

Here is my understanding of what we agreed to today:

- 1) All rent (including NNN) will be paid by all tenants including POT and Holy Spirits
- 2) Integer will submit an invoice to CDC for Property Management in the amount of:

Total Rent Payments
Less - Note Payment (\$96,233.61)
Less - Property Tax Estimate (15,500) We can true this up annually when we get the Tax Statement each year
Less - Insurance

If you guys take over the insurance, then that last item would go away of course.

(See attached spreadsheet)

3) Since the Prepaid Rent was confusing in the Addendum, we have agreed that EMET will assign those prepayments to Phipps Ortiz Talafuse and Holy Spirits (I have assigned them based on the ratio of each rent.) If you guys want to assign them out differently, that is fine with me.

Let me know if we are all on the same page,

Daren

Attachments

- 102 9th St-Calc Rent v. Mortgage.xlsx

Worksheet: Sheet1

DANIEL'S CALC				ALAN'S CALC				Total Rent/ft			
	Rent	NNN	Total	SF	Estimated NNN	Expense Stop	Excess	Rent	NNN	Total	Delta
Base Rent	16,641.63	6,311.12	22,772.75	7,007	7,000			16,641.63	6,311.12	22,772.75	39.00
Common Area	17,500.00	6,250.00	23,750.00		3,828	\$	21.63	17,500.00	6,125.00	23,625.00	(125)
Property Owner's Expense P/LC	15,070.00	3,349.50	18,419.50					15,070.00	2,912.47	17,982.47	(437)
Property Owner's Expense P/LC	46,000.00	15,706.75	61,706.75	10,768	\$	21.63	\$	46,000.00	3,705.99	49,705.99	(12,000)
Total Rent Collected			126,648.50					95,211.63	18,074.58	113,086.21	(12,562)
Expense Payment			96,333.61							96,333.61	-
Property Tax			15,500.00							17,618.83	2,118
Expenses paid by Manager			2,500.17							2,500.17	-
Property Management Fee			12,034.72							32,000.00	Average
										148,765.71	
										148,766	
										(34,679.50)	(46,694)

\$ 22,315.92 6 months (Jan-Jun 2023) of NNN paid to OIC on 06/23/24